ADVISORY OPINION 96-003

Any advisory opinion rendered by the registry under subsection (1) or (2) of this section may be relied upon only by the person or committee involved in the specific transaction or activity with respect to which the advisory opinion is required. KRS 121. 135(4).

April 25, 1996

Ms. Carol Blevins Ormay Kentucky Hospitals' Circle of Friends KHA Director of Communications 1302 Clear Spring Trace P.O. Box 24163 Louisville, Kentucky 40224-4163

Dear Ms. Ormay:

This is in response to your recent letter requesting an advisory opinion regarding proposed activities of the Kentucky Hospitals' Circle of Friends ("Circle of Friends"), the permanent committee of the Kentucky Hospital Association ("KHA"). Your letter indicates that Circle of Friends proposes to host a recognition/fundraising breakfast during KHA's annual convention. KHA has offered to underwrite the cost of the breakfast, if permissible. You further ask whether employees of Kentucky Hospital Service Corporation ("KSC"), a wholly owned subsidiary of KHA, may contribute to Circle of Friends through payroll deductions.

In response to your first question, KRS 121.025 and KRS 121.035 prohibits corporations such as KHA from contributing to candidates or committees which aid or support candidates. Likewise, KRS 121.150(21) prohibits permanent committees such as Circle of Friends from accepting contributions from corporations. Therefore, KHA could not underwrite the recognition/fundraising breakfast of its permanent committee, Circle of Friends. In response to your second question, KSC employees may contribute to Circle of Friends provided that Circle of Friends' permanent committee registration form identifies both KSC and KHA as its source of contributions.

If you have further questions, please feel free to contact the Registry at (502) 573-2226.

Sincerely,

Rosemary F. Center General Counsel

RFC/db